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2007

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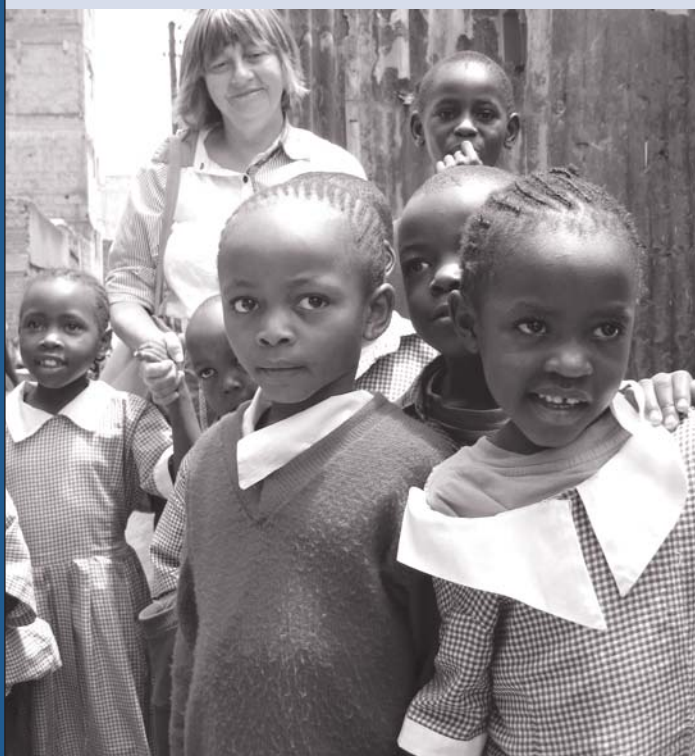
*Resources for Use
in Your Own Travel
Philanthropy*

THE TRAVELING PHILANTHROPIST

In 1960, a United States Senator challenged students at the University of Michigan to serve their country in the cause of peace by living and working in developing countries. That Senator, John F. Kennedy, and that challenge helped to create the Peace Corps, which in a way marked the beginning of Americans combining travel and volunteerism.

Why Volunteer Away From Home?

With significant needs in our own communities, it's reasonable to ask why American donors have taken to traveling to seek out opportunities to give and volunteer. "For many donors, this is not an either/or question," says Judy Belk, Senior Vice President of Rockefeller Philanthropic Advisors (RPA), a nonprofit organization that advises individual donors, foundations and corporate giving programs. "Instead it's a way for donors to build a portfolio of diversified giving projects – some in their immediate community, some in more troubled parts of the country, and some much more distant. If they are interested in the environment or helping people in terms of health, education or economic opportunities, it's logical to look at global opportunities as part of the mix."



Courtesy of The Clarence Foundation

Russell B. Hall, an innovative philanthropist, venture capitalist and Schwab Charitable donor (see sidebar on page 2), notes that donors benefit tremendously from expanding their view of community. "When you learn a third of the world's children don't have shoes to wear, it's harder to rationalize focusing all of your giving to support another recreation center in your home town," says Hall.

Fast forward to 2007 and you find a developing marketplace of opportunities for philanthropy, travel and volunteering, and plenty of high-profile promoters of the cause – from Bono and Bill Gates to Jimmy Carter and Oprah Winfrey. These champions of giving have helped build a sustained focus on unmet needs, both domestic and international, and the opportunities affluent individuals have to address them.

Steve Davidson, President of the Dr. Phil Foundation, has volunteered for several years in Honduras, and says the experience of "traveling philanthropy" with his church group is a natural extension of his giving at home (see sidebar on page 3), "Think about what matters most to you in how you give," he says. "Whatever that is, it's good to think about giving outside our communities as well as in them. It's no longer 'us and them.' We are all in the world together."

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VENTURE CAPITALISM MEETS GLOBAL GIVING

Russell B. Hall is a Schwab Charitable donor and founder of Legacy Venture, a venture capital firm with half a billion dollars in assets and a unique philanthropic model. He's also an evangelist for global giving.

"I was born in Germany and lived in Korea and Venezuela growing up," says Hall. "That upbringing helped me develop an appreciation for the global viewpoint."

Hall is an alumnus of Stanford's High Impact Philanthropy Program as well as The Philanthropic Workshop West, an intense one-year program that provides attendees with workshops, issues seminars and customized travel and learning opportunities. As part of the workshop, Hall traveled to Brazil and learned of a hospital program in Rio de Janeiro that helps children by addressing their home situations. "They discovered that the children kept coming back, after being cured, because there were chronic problems in their families— unemployment, drugs, malnutrition and other issues," says Hall. "Treating the children's health could not be separated from these challenges."

Although global problems can be overwhelming, Hall emphasizes how much even modestly wealthy donors can do to make a difference, even without traveling abroad.

"You can't help but be surprised by how far the dollar goes in less-developed areas of the world. You can touch so many lives. This cannot be overstated," says Hall. "One hundred dollars may pay for movie tickets, food, and the baby sitter for a night here or it could be a year's salary for one of the world's rural poor."

"Access to capital can bring about so many positive changes," says Hall. "Just providing a family business with time on a treadle sewing machine or cutting tools to make shoes from old rubber tires— these small investments and similar targeted interventions can change many lives and help an entire community with healthcare, education and more. You can't do this in the U.S."

THE TRAVELING PHILANTHROPIST *continued from page 1*



Fundamind (Buenos Aires, Argentina)

The Historical Perspective

Reasons for increased interest in cross-border volunteering since the founding of the Peace Corps are noteworthy and varied: media technology in the late 1960s that allowed for real-time television reporting from around the world; increased environmental awareness (the first Earth Day was in 1970); lower costs for air travel (The United States lead the way in deregulating air travel, with passage in 1978 of the Airline Deregulation Act); the globalization of commerce and culture, fueled in part by the internet; and significant demographic shifts. Since 1990 alone, there has been a 44 percent increase in the foreign-born population in the United States. Current government estimates are that approximately 311 languages are spoken in the country today.¹

In 2005, perhaps nothing brought home to Americans the reality of shared human needs more than Hurricanes Katrina, Wilma and Rita. The Red Cross alone brought in

more than 200,000 volunteers to the area during and immediately after the three hurricanes, and estimates are that donations totaled more than \$4 billion. Religious and community organizations nationwide continue to send volunteers to the region to assist with rebuilding, including many organizations sponsoring high school and college student groups and families.



¹ U.S. Government National Virtual Translation Center, Languages Spoken in the U.S.: <http://www.nvtc.gov/lotw/months/november/USlanguages.html>

Cross-Border Volunteering Today

“There is growing interest in combining volunteering and vacations. I think it is an exciting trend,” says Kim Wright-Violich, President of Schwab Charitable. “The rewards and learning from community service experiences, combined with the excitement and interest of travel, can be powerful.”

As we all struggle with ways to help our children and grandchildren develop strong values and keep affluence in perspective, combining vacations and community service as a family may help. “Teenagers I have spoken to have said travel-volunteering with other teenagers or with family can be life altering,” says Wright-Violich. For families, the shared experience can be bonding and provide memorable opportunities to engage with other cultures and locals without limiting your exposure to typical tourist attractions. Some professionals like to use their trained expertise for maximum philanthropic impact. The most well-known examples are doctors and nurses volunteering through organizations such as Doctors Without Borders, which also accepts non-medical volunteers for its field assignments ranging from nine months to a year. Even casual vacation-volunteers may be driven by a strong desire to improve the image of Americans overseas. Whatever the motive, the volunteers may get as much from the experience as the recipients.

The disparity of wealth around the world creates more opportunity for dramatic and immediate impact than in the developed parts of the world or even the economically depressed parts of the U.S. Based on a study of data collected in 2000, approximately 10 percent of the world’s adult population controls 85 percent of its wealth, and one percent controls 40 percent.² The largest concentrations of wealthy individuals are in North America, Europe and the richest

Asia-Pacific countries.³ (Only \$2,161 in net worth was needed in 2000 to belong to the top half of the world’s wealth distribution; to be a member of the top 10 percent, a net worth of \$61,000 was required, and \$500,000 for the top one percent.)

Of course, it’s fun to travel, and those who do so with a giving purpose often find the experience especially rewarding. “I’ll admit to being someone who is really drawn to travel,” says Schwab Charitable Vice President Margae Diamond, who recently visited Kenya on the inaugural trip of a traveling giving circle sponsored by The Clarence Foundation (see adjacent article on page 4.)

“But to be able to go to Africa with a group of people who were all there to learn about community needs in an entirely different culture and make grants to address them – it was so much more than just traveling.”

Getting Started

If you are interested in exploring global volunteering and traveling opportunities that connect with your giving, here are a few recommendations from experts in the field:

Ask the experts. Organizations such as The Global Fund for Children, The Global Fund for Women, The Asia Foundation, Conservation International and Global

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TEXAS-STYLE GIVING IN HONDURAS

Steve Davidson, a native of Midland, Texas, describes himself as someone who is not a handyman and “is just plain dangerous with a hammer in my hand.” Yet he has traveled to Honduras 2 times since 2005 with a church group that has collectively built a church and completed several improvements to a local seminary.

“I had traveled quite a bit in my life, but never on a mission trip, so I decided to go to Honduras the first time because it just seemed like a good idea,” says Davidson. “My experiences there have been incredible. It’s a kind of volunteering I’m always going to do from now on. Always.”

Davidson grew up in a family with its own private foundation and a strong tradition of giving. “Midland, Texas is a very generous town, and you can’t help but catch the bug,” says Davidson. When Davidson and his wife Jan wanted to raise funds for a new park in Midland with easy access for the physically disabled, in part because their son Chris had muscular dystrophy, they were able to raise \$550,000 in 90 days. The park was completed in 1989. Sadly, Chris died the same year.

Davidson’s trips to Honduras are hard work but are also tremendously enjoyable. He learned to build brick walls and often does yard work and other tasks there that are a break from his desk job. Davidson is President of the Dr. Phil Foundation, based in Los Angeles.

“It’s the people I’ve met in Honduras that have really made an impression on me,” says Davidson. “I am so respectful of them – they are gracious, hard-working, family-oriented people, and they really appreciate what they have. They also appreciate what we are doing with them, and the time we take to listen and be a part of their lives. But make no mistake about it – this kind of philanthropy is fun. It’s just so amazing to be exposed to the world in this way and to be part of a community in another part of the world. I feel tremendously fortunate to be able to do this.”

² Based on 2000 data found in <http://www.wider.unu.edu/research/2006-2007/2006-2007-1/wider-wdhw-launch-5-12-2006/wider-wdhw-report-5-12-2006.pdf>

³ http://communications.uwo.ca/making_headlines/coverage/0612105-1.htm

NEW OPTIONS FOR COLLECTIVE GIVING



Courtesy of The Clarence Foundation

Earlier this year, The Clarence Foundation (named for the angel in the film “It’s a Wonderful Life”) sponsored its first traveling giving circle and invited Schwab Charitable Vice President Margae Diamond to join. “It was such a compelling idea,” says Diamond. “The invitation came at the right time, and I decided I just had to go.”

Giving circles are fairly common ways to give in U.S. communities, but a traveling giving circle is a new approach. What was required from the 12 people who joined the circle was a commitment of at least \$2,500 each (members paid their own travel costs as well) plus preparation time to learn about the Kenyan capital they would visit. Then during their two-week sojourn to Nairobi, Diamond and her travel circle companions met in teams with the six community groups selected by The Clarence Foundation’s on-the-ground partner, International Child Resource Institute Africa, to apply for grants. After the meetings were completed, members had to determine how the Giving Circle would distribute the \$35,000 they had collectively donated.

“Learning about the needs of this community was overwhelming,” says Diamond. About 60 percent of the people of Nairobi, or about 2.5 million people, live in slums that occupy only five percent of the city’s land. “So many

of the problems there are interrelated – education, crime, sanitation, health care, HIV/AIDS. The issues flow into each other, and it’s very easy to feel overwhelmed. But people live in these communities every day, and there are so many people trying to make a difference. They don’t need mega grants or Americans swooping in to save them. What we can do is help them build their own community organizations.”

The grants made by the traveling giving circle to Kenya included funds to educate orphaned and vulnerable children at Urban View School in the Mathare slum; a grant to GROOTS Mathare Women’s Development Center, which provides vocational training and micro-loans to help women start small enterprises; and support to Umeme Soccer Club, which provides incentives for young boys to play sports and stay in school rather than engage in drug use and crime.

In the end, Diamond and her travel companions divided the money up among all the nonprofits visited, making six grants between \$2,500 to \$10,500. “They were all deserving of our support,” Diamond concluded.

Diamond is Vice President of Development for Schwab Charitable, which provided the \$2,500 grant required for her participation in the traveling giving circle.

THE PEACE CORPS TODAY

Schwab Charitable Marketing Manager Kerry Philp returned to the U.S. from three years in the Peace Corps, serving in Albania and Guinea. She joined in 1996 because she loves to travel and wanted the opportunity to live abroad for a sustained period of time. “I took away so much more than I gave to the Peace Corps,” says Philp. “People think it’s all about sacrifice and dirty, hard work, and some of that’s true – but day-to-day it was an extraordinary experience for me.”

The Peace Corps is invited to work in countries around the world for specific reasons. The process for planning Peace Corps activities is highly collaborative and before assigning a volunteer to a new country, the Peace Corps provides 12 weeks of cultural immersion and language training. Philp was first assigned as an agroforestry volunteer to Albania, where she served for nine months. Due to an unexpected closing of the program, she was then transferred to West Africa where she taught high school English, study habits and critical thinking skills to African students and new Peace Corps trainees.

“The volunteers I knew were a diverse group – a couple of my colleagues are now in medical school, and another is a math teacher,” says Philp. “The common characteristics are that we all have a giving mentality, want to understand other cultures and make a difference.”

The Peace Corps currently has more than 7,700 volunteers in more than 70 countries. Its oldest volunteer is 81 years old.

ON A CHARITABLE NOTE



Our feature article in this issue of GIVING is about “volunteer vacations.” I know volunteer vacations sounds like an oxymoron, but if my three teenagers can get excited about the possibilities I think you may too. Let me share with you how we arrived at that topic.

My son needed volunteer hours for his high school, but said he had been too busy with sports to complete his community service obligation. My wants-to-change-the-world daughter was worried our family vacation would be boring, too “touristy” and would add too many hydrocarbons to the environment. All my children were upsetting me with requests for expensive vacation “accessories”: computer games, sports equipment and designer jeans. When my youngest - a young woman with excellent values - asked how many stars the hotel we would be staying in had, I knew a new plan was needed.

In a moment of inspiration, my older daughter suggested a trip that included volunteering. Despite the eye-rolling from her brother, I thought it was a great idea. Unfortunately we were only a week or two away from our trip, and I was unable to organize a volunteer component on such short notice. However, the seed had been planted, and now we are planning our next family vacation to include several days of volunteering. As the planning has progressed, the eye-rolling has stopped and some excitement about the possibilities has set in.

Once we started examining the options, and after speaking with friends who had combined vacations and volunteering, I became even more enthusiastic. So I asked our marketing staff to explore the topic for this newsletter. Their research revealed that several Schwab Charitable staff members already had experiences with “travel philanthropy” – in the Peace Corps, with Experiment in International Living, and as part of a new giving circle that visited African nonprofits and made collective grants to selected recipients. There are a multitude of options that can be tailored to your interests, needs and skills. I hope you get as much out of our feature article as I suspect my family will.

Thank you for choosing Schwab Charitable as your partner in philanthropy.

Kimberly Wright-Violich

President

Schwab Charitable

2007 YEAR-END DEADLINES

Please make note of the following important deadlines for year-end contributions to your Charitable Gift Account.

*Most urgently, if you're planning to transfer stocks or mutual fund shares from a financial institution other than Schwab, and you would like us to initiate the transfer for you, we must receive your request by **Friday, November 16th.***

In addition:

- **Contributions from a Schwab account** may be requested online through the Donor Center, but we need to receive these requests by 5 p.m. PST on Friday, December 28th.
- **Wire transfers** from a financial institution other than Schwab must be initiated by 10 a.m. PST on Friday, December 28th. (Please note that wire transfers cannot be initiated by Schwab Charitable Fund.)
- **Checks or security certificates** must be postmarked by Monday, December 31st. **Restricted stocks** can take more than six weeks to process—we recommend that you contact us by November 1 if you wish to contribute restricted stock.

If you have any questions or concerns about year-end contributions, please call us at 800-746-6216.

YOU MAY FIND THE FOLLOWING RESOURCES OF USE IN YOUR OWN TRAVEL PHILANTHROPY.

Organizations Mentioned in This Article:

- Asia Foundation – www.asiafoundation.org
- The Clarence Foundation – www.clarencefoundation.org
- Doctors Without Borders – www.doctorswithoutborders.org
- Experiment in International Living – www.experiment.org
- Global Fund for Children – www.globalfundforchildren.org
- Global Fund for Women – www.globalfundforwomen.org
- Global Volunteers – www.globalvolunteers.org
- Habitat for Humanity – www.habitat.org
- Legacy Venture – www.legacyventure.com
- Peace Corps – www.peacecorps.gov
- The Philanthropy Workshop West – www.tpwwest.org
- Rockefeller Philanthropic Advisors – www.rockpa.org

Other References:

- *The 100 Best Vacations to Enrich Your Life* by Pam Grout (2007: National Geographic Society)
- *How To Live Your Dream of Volunteering Overseas* by Joseph Collins, Stefano Zeerega, and Zahara Heckscher (2001: Penguin)
- *Volunteer Vacations (9th edition)* by Bill McMillion, Doug Cutchins, Anne Geissinger and Ed Asner (2006: Chicago Review Press)
- *Volunteer: A Traveler's Guide to Making a Difference Around the World* by Charlotte Hindle, Nate Cavalieri, Rachel Collinson, and Korina Miller (2007: Lonely Planet)



Courtesy of Global Volunteers

Volunteers can be excellent places to start for donors who want to extend their giving internationally, including site visits.

“Donors can learn a great deal from proven organizations engaged in global giving and volunteerism,” says Hall. “Hubris leads some donors to want to discover giving opportunities on their own, and that’s understandable but inefficient and overlooks the good ground work others have done. Why reinvent this wheel? Also, when I consider the culture and local knowledge, I have been humbled very quickly by what I don’t know and what existing groups have already learned. Donors can be much more effective if they work with knowledgeable partners.”

Consider special programs. Affluent donors may also want to explore programs such as The Philanthropy Workshop West, a specialized training program for major donors who want to learn more about strategic approaches to giving. Rockefeller Philanthropic Advisors can also work with donors to arrange for personalized philanthropic support.

Other programs are designed to help young people travel and volunteer, such as Experiment in International Living

(see adjacent sidebar.) Volunteer travel opportunities for families can also be found through Habitat for Humanity’s Global Village program and many others.

Combine your dollars with your time.

“What we hear from donors is that they very much want to touch and feel where their donations are going,” says Belk. “It is a common theme among the donors we work with.” For example, Belk recently worked with a member of an affluent family who was interested in micro-credit. “I knew of several outstanding micro-credit organizations that could help to organize site visits for her in Guatemala. All the arrangements were made by our regional partners, so the donor’s time on the ground was well spent. When she came back she was knowledgeable about the project and the community and has continued to make significant donations in the area,” says Belk.

If you would like more information about travel philanthropy, please check out the resources section (see adjacent sidebar) or visit the volunteer tab on our website (<http://www.schwabcharitable.org/news/volunteer.html>).